



**CORRECTED
FISCAL MEMORANDUM**

HB 847 - SB 1581

March 1, 2022

SUMMARY OF BILL AS AMENDED (013343): Creates the *Tennessee Special Educator Scholarship Act*. Establishes eligibility requirements for the scholarship and provides post-secondary financial assistance to eligible recipients. Effective July 1, 2023, except for the promulgation of rules section which is effective upon becoming a law.

FISCAL IMPACT OF BILL AS AMENDED:

The fiscal note has been updated to correct the fund designation.

(CORRECTED)

Increase State Expenditures – \$871,500/FY23-24

\$1,525,500/FY24-25 and Subsequent Years

Assumptions for the bill as amended:

- The Tennessee Special Educator Scholarship will provide financial support to eligible special education professionals pursuing a bachelor's degree, if such individuals meet various outlined criteria, have attained junior or senior status at an eligible postsecondary institution, and agree to work in a Tennessee public school for at least three years following graduation.
- Scholarships will be paid from proceeds from the General Fund.
- In Tennessee, there are currently 9,299 special education paraprofessionals statewide.
- It is estimated that approximately 25 percent of paraprofessionals, or 2,325 (9,299 x 25.0%), will attend an eligible postsecondary institution.
- It is estimated that 75 percent of students, or 1,744 (2,325 x 75.0%), will be freshmen or sophomores, and 25 percent of students, or 581 (2,325 x 25.0%), will be juniors or seniors, and therefore eligible for scholarships.
- The annual award amount for each scholarship participant is \$1,500.
- The total award amount is estimated to result in an increase in state expenditures of \$871,500 (581 x \$1,500) in FY23-24.
- Each year, it is estimated that the scholarship retention rate will be 75 percent, or 436 (581 x 75.0%), for initial recipients.
- The total award amounts for all returning scholarship recipients will increase state expenditures by \$654,000 (436 x \$1,500) in FY24-25.

- The total scholarship award amounts will increase state expenditures \$1,525,500 (\$871,500 new recipients + \$654,000 returning recipients) in FY24-25 and subsequent years.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in black ink that reads "Krista Lee Carsner". The signature is written in a cursive, flowing style.

Krista Lee Carsner, Executive Director

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